

Tennessee's Greatest Challenge: Educating Tomorrow's Workforce

Resource 2007

Local Government Corporation

March 22, 2007

Tennessee's current education
system will not prepare our children
for the new global workplace.

We must do better.

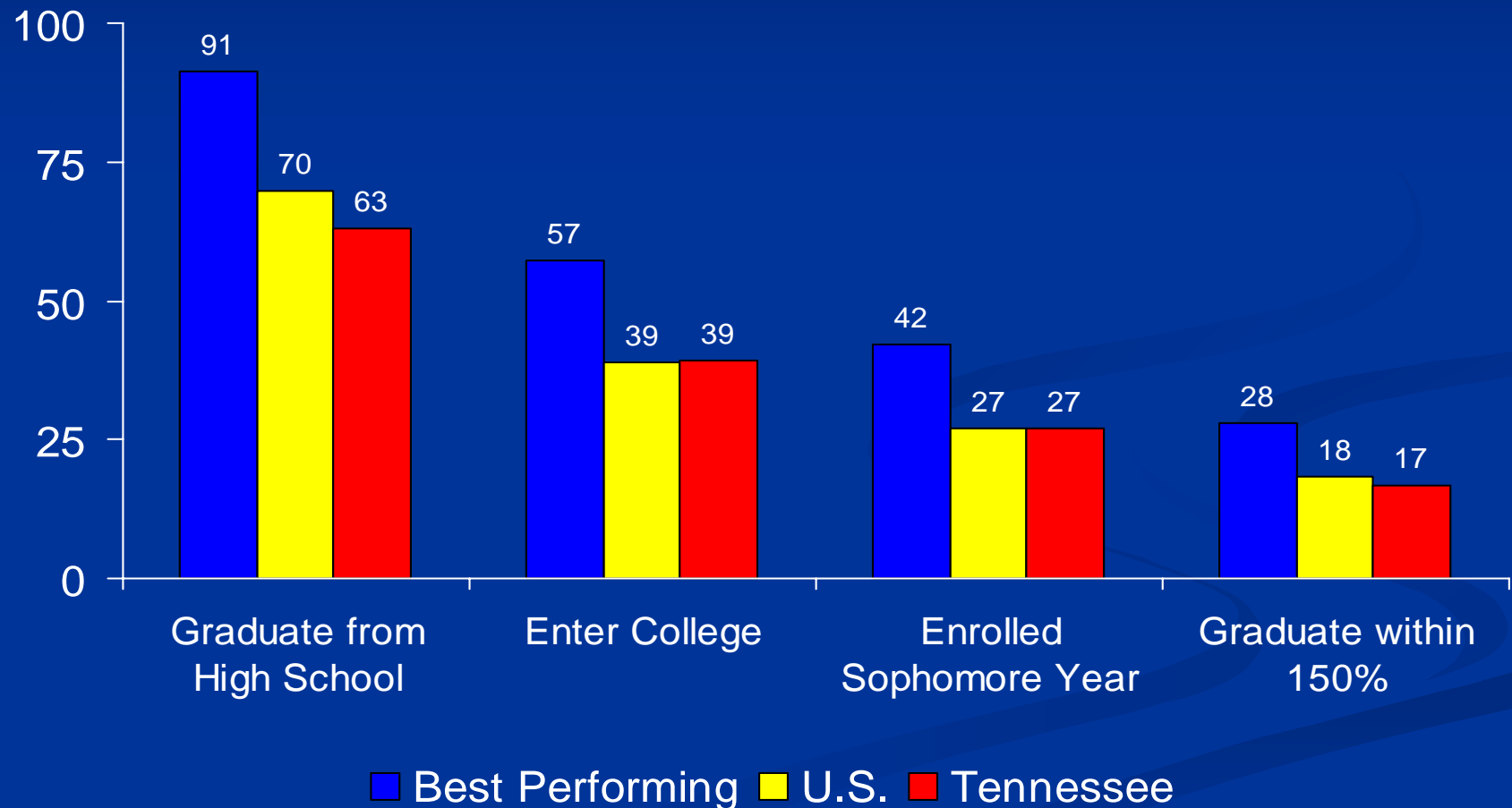
And, we can.

“When I compare our high schools to what I see when I'm traveling abroad, I am terrified for our work force of tomorrow. In math and science, our fourth graders are among the top students in the world. By eighth grade, they're in the middle of the pack. By 12th grade, U.S. students are scoring near the bottom of all industrialized nations. . . . The percentage of a population with a college degree is important, but so are sheer numbers. In 2001, India graduated almost a million more students from college than the United States did. China graduates twice as many students with bachelor's degrees as the U.S., and they have six times as many graduates majoring in engineering. In the international competition to have the biggest and best supply of knowledge workers, America is falling behind.”

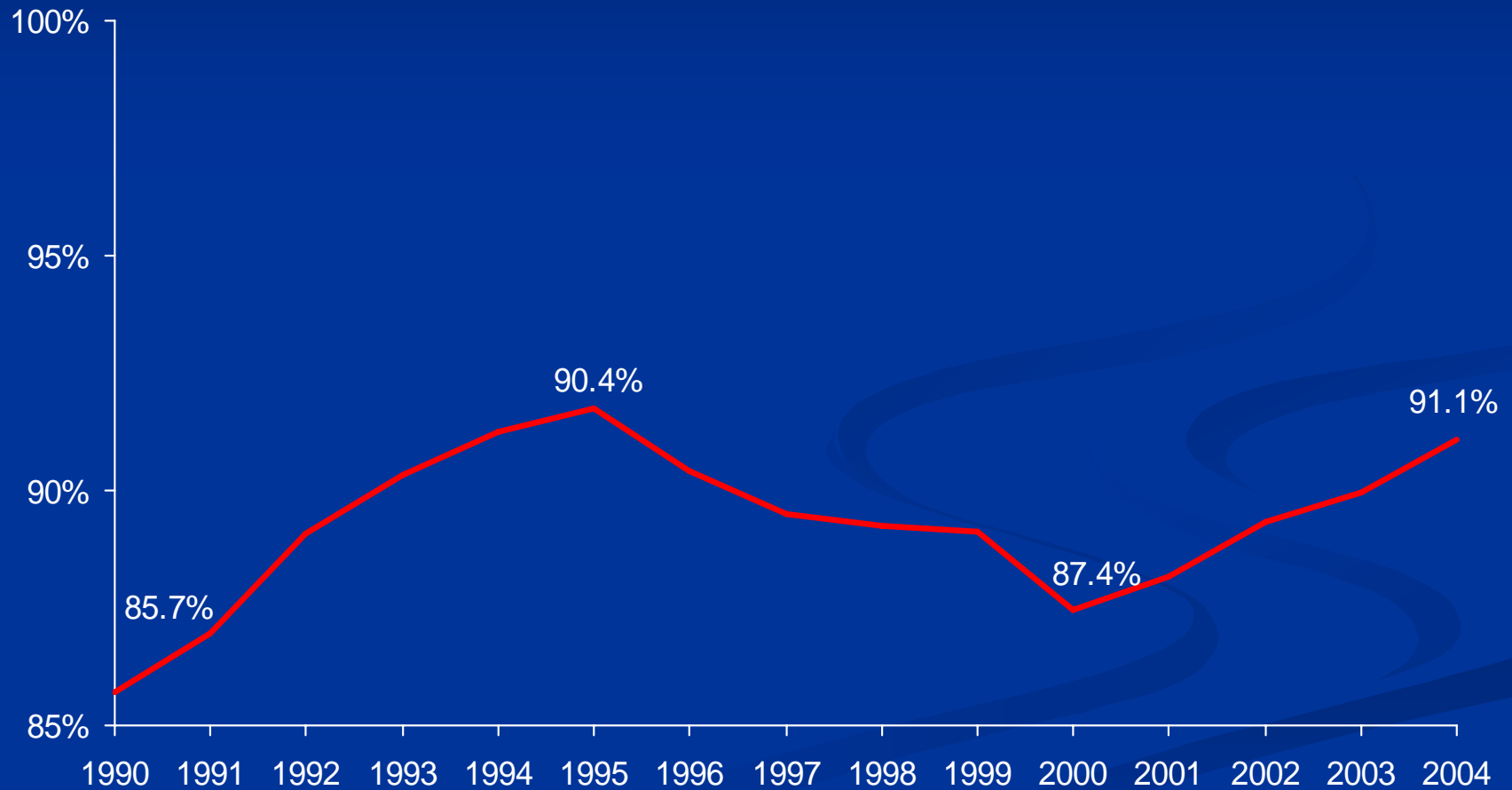
- Bill Gates, “America’s High Schools are Obsolete” Speech given to National Governors Association, February 26, 2005

- A 2005 survey of manufacturers by National Association of Manufacturers found:
 - 84% do not believe K-12 schools are doing a good job
 - 80% of are experiencing a shortage of qualified workers; they need problem solving skills, reading, writing and communication skills
 - They want more investment in teacher education, science and math instruction, and career education in school
- For students in elementary school today, the majority of jobs they will hold do not exist (Jim Carroll)
- In today's global economy, work gets done where it is most effective and efficient (Thomas Freidman)

The Student Pipeline - Tennessee, 2004



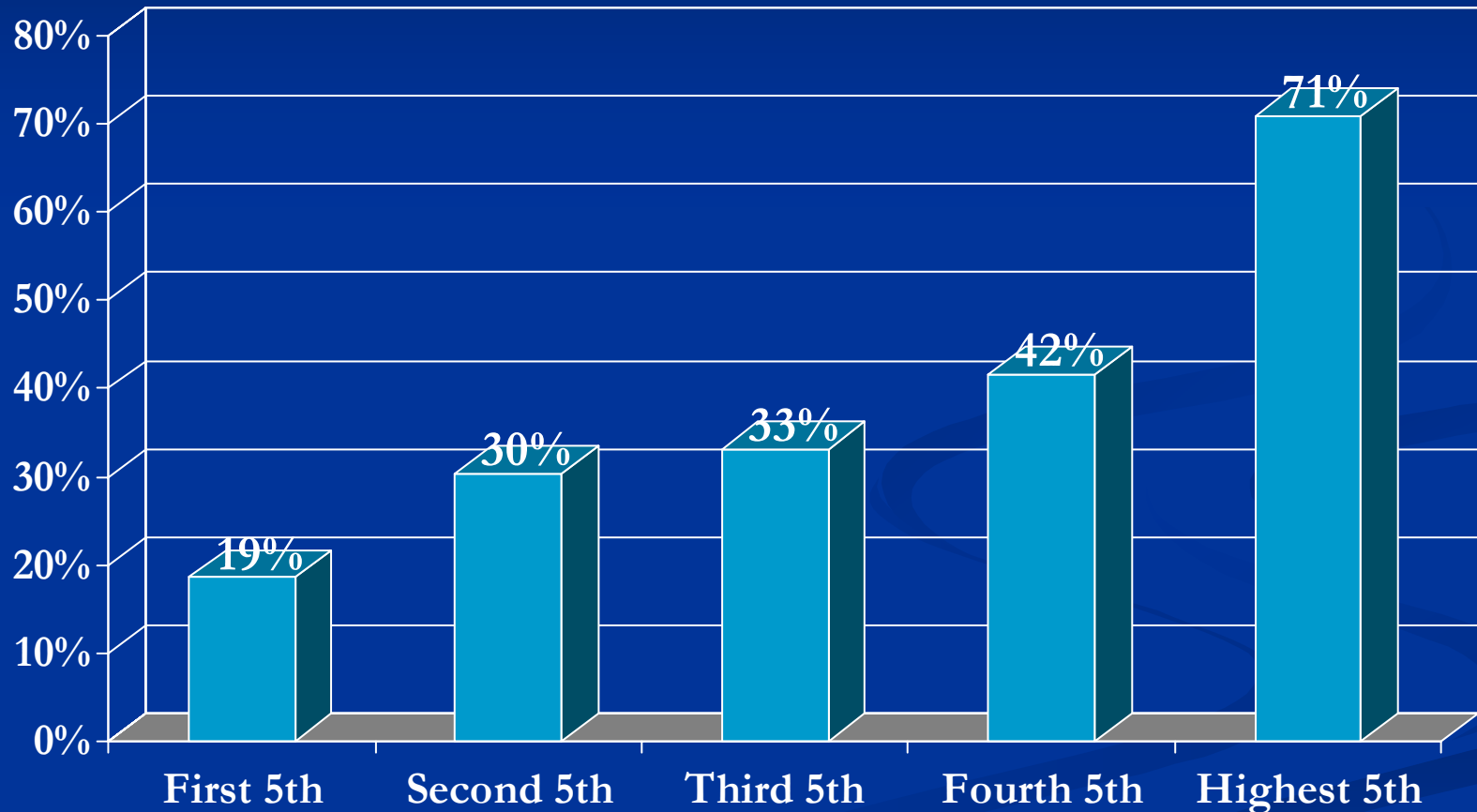
Tennessee Per Capita Income as a Percent of the U.S., 1990-2004



Source: Bureau of Economic Analysis.

Income Changes for Tennessee Families

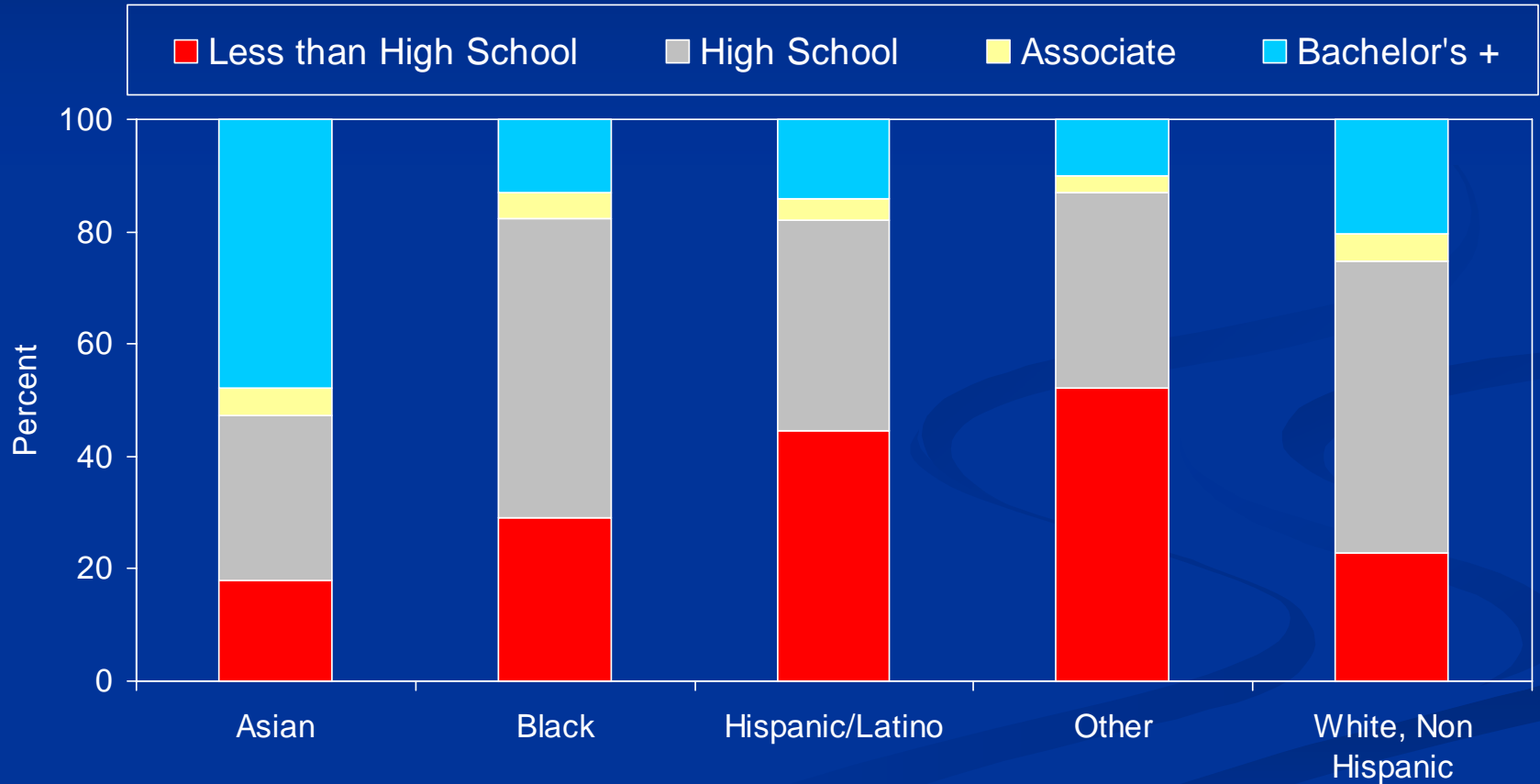
Early 1980s to Early 2000s, by quintiles



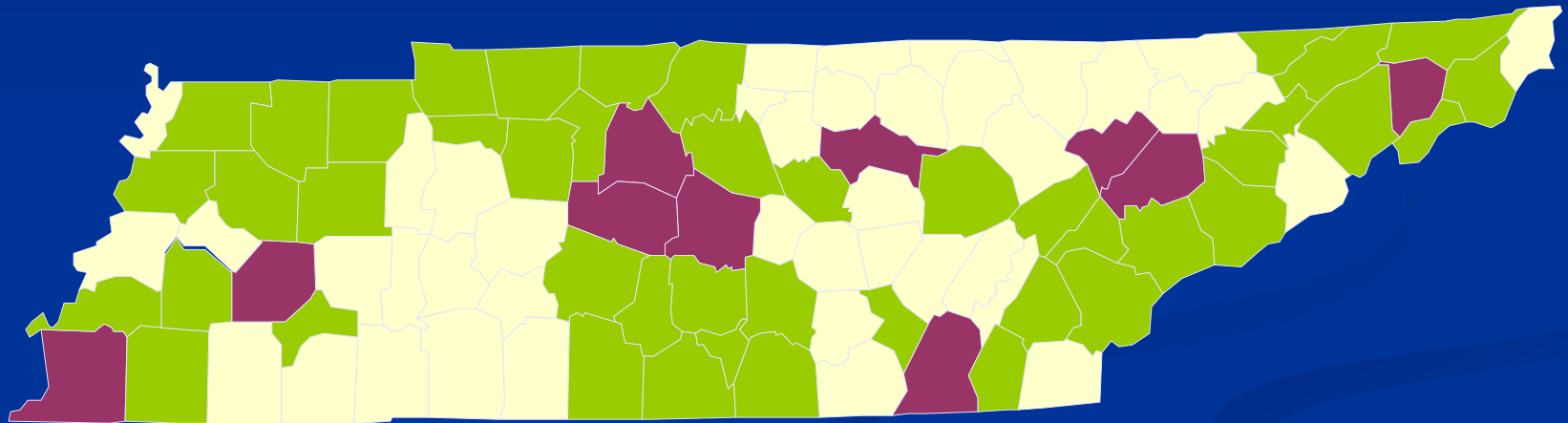
Income Gaps, Early 2000's Tennessee

	Rank (1 is most unequal)
Richest 5 th vs. Poorest 5 th	3
Richest 5 th vs. Middle 5 th	5

Educational Attainment In Tennessee, 2000



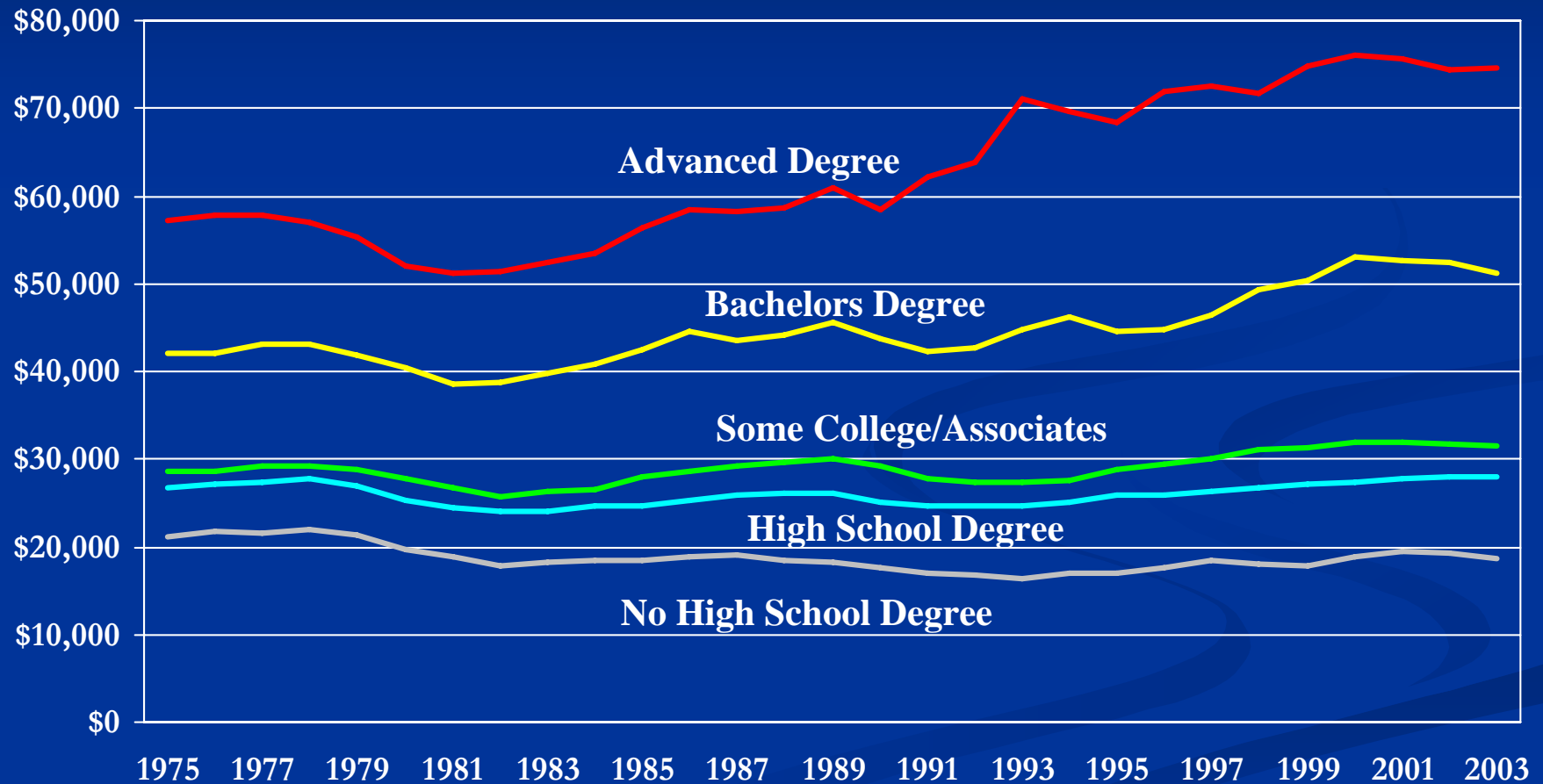
Educational Attainment of Persons 25 Years and Over, Percent With At Least A Bachelor's Degree, 2000



TN Average = 19.6%
U.S. Average = 24.4%

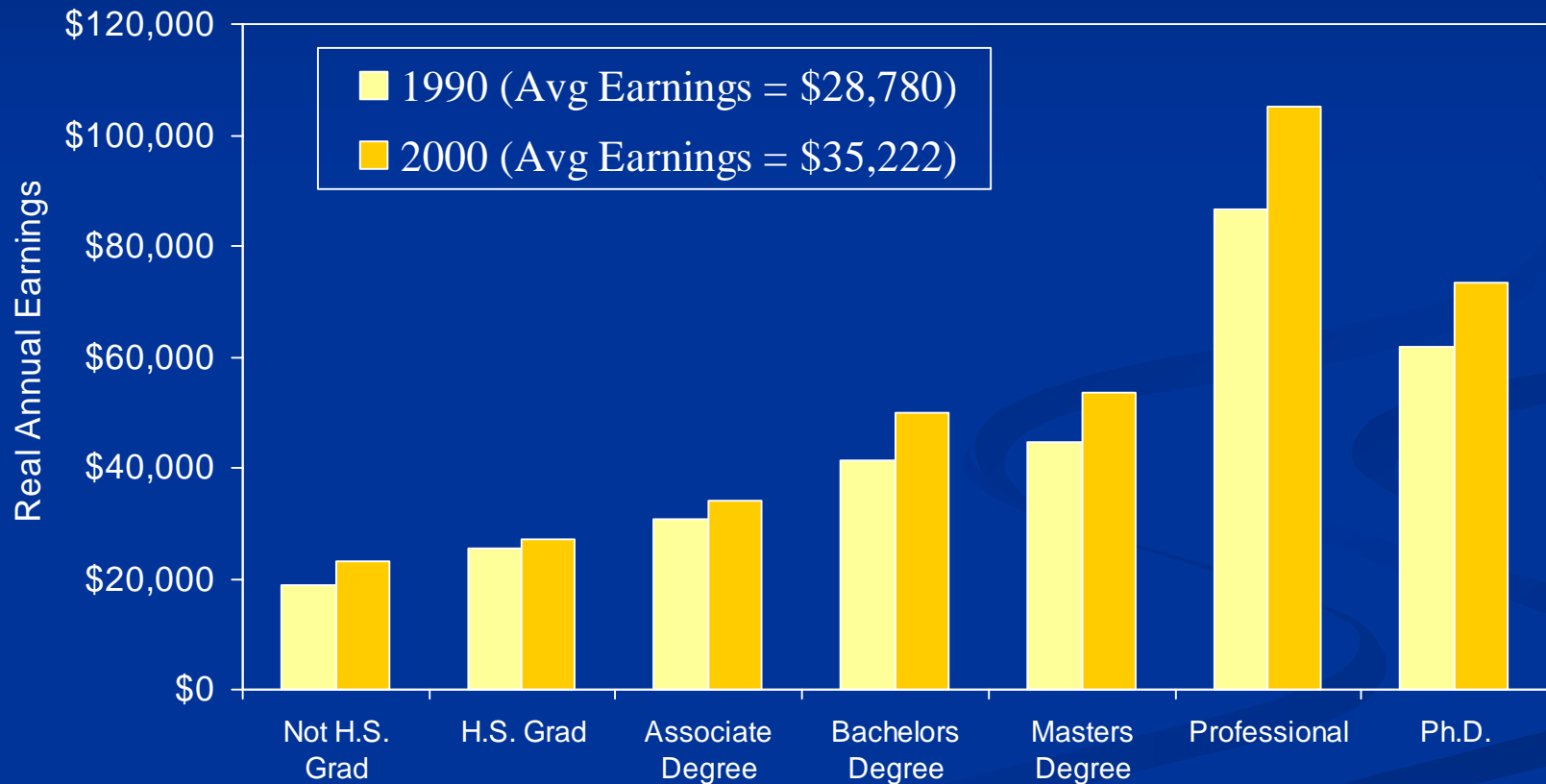


Mean Earnings by Degree Level—Adjusted to 2003 Dollars (Using Consumer Price Index)



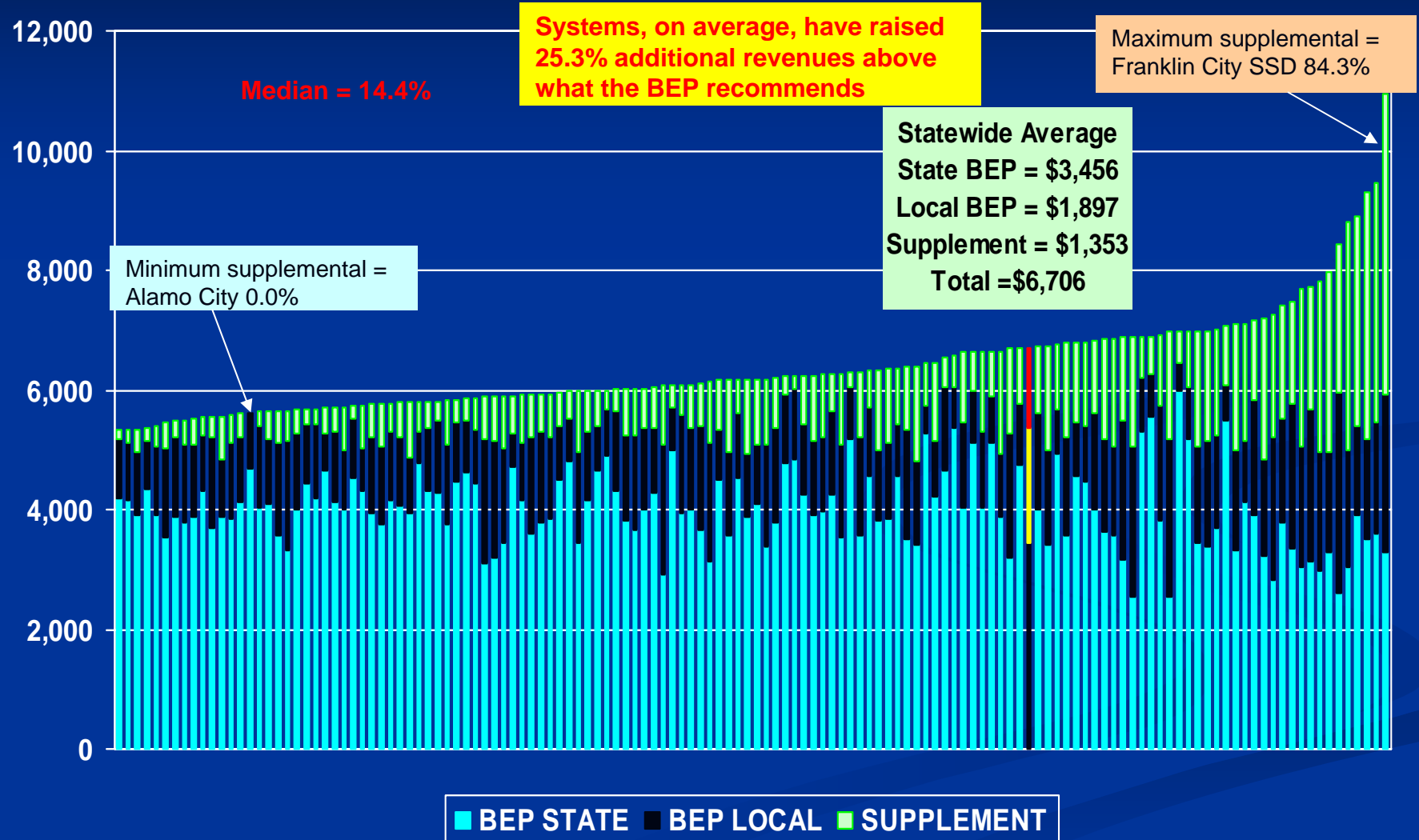
Source: U.S. Census Bureau, Bureau of Labor Statistics

Educational Attainment And Economic Well-being (Real Average Earnings): Tennesseans Aged 25 And Older



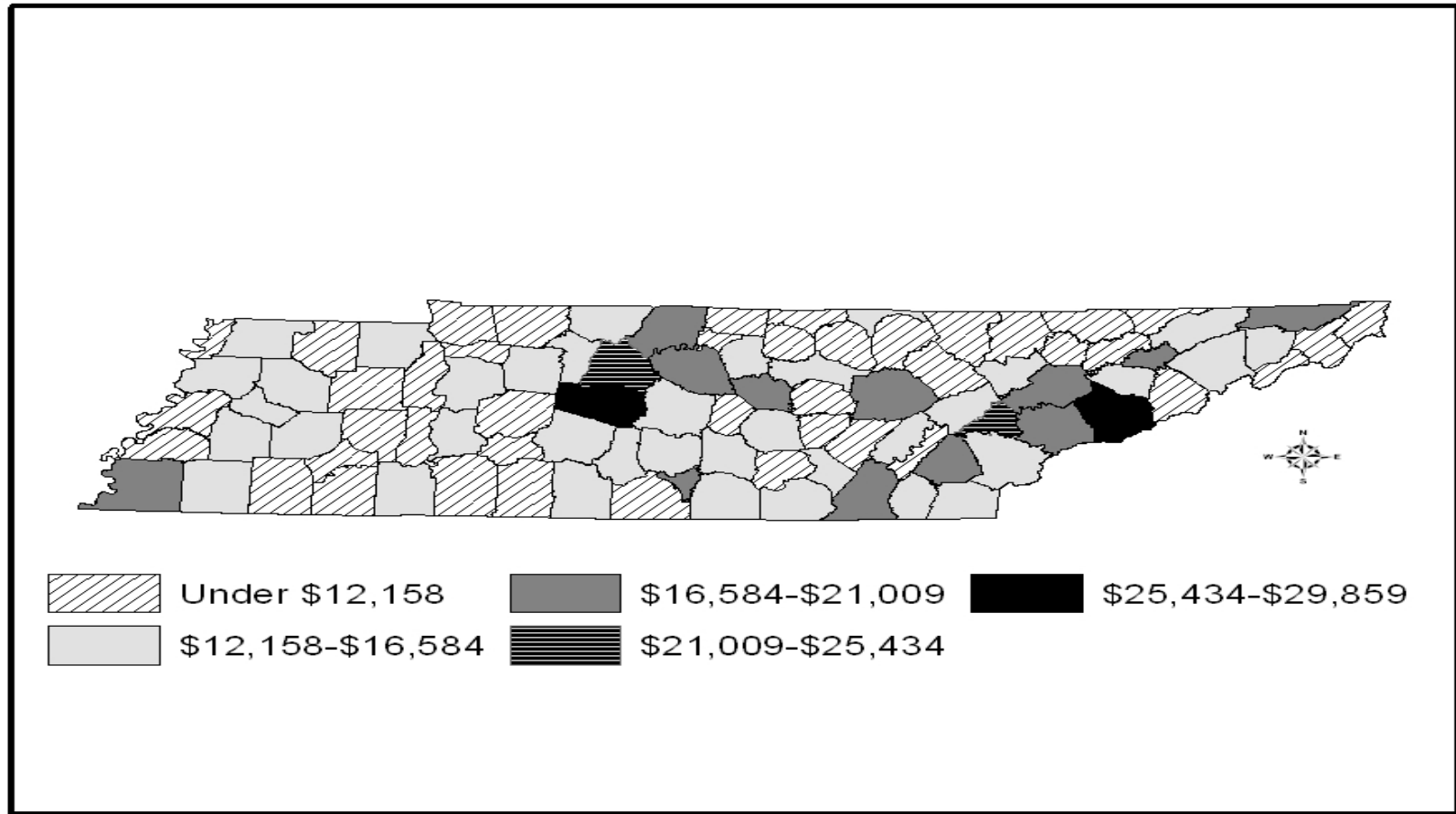
Source: CBER, UT

Per Pupil (ADA) State & Local Revenues by System – Fiscal Year 2005

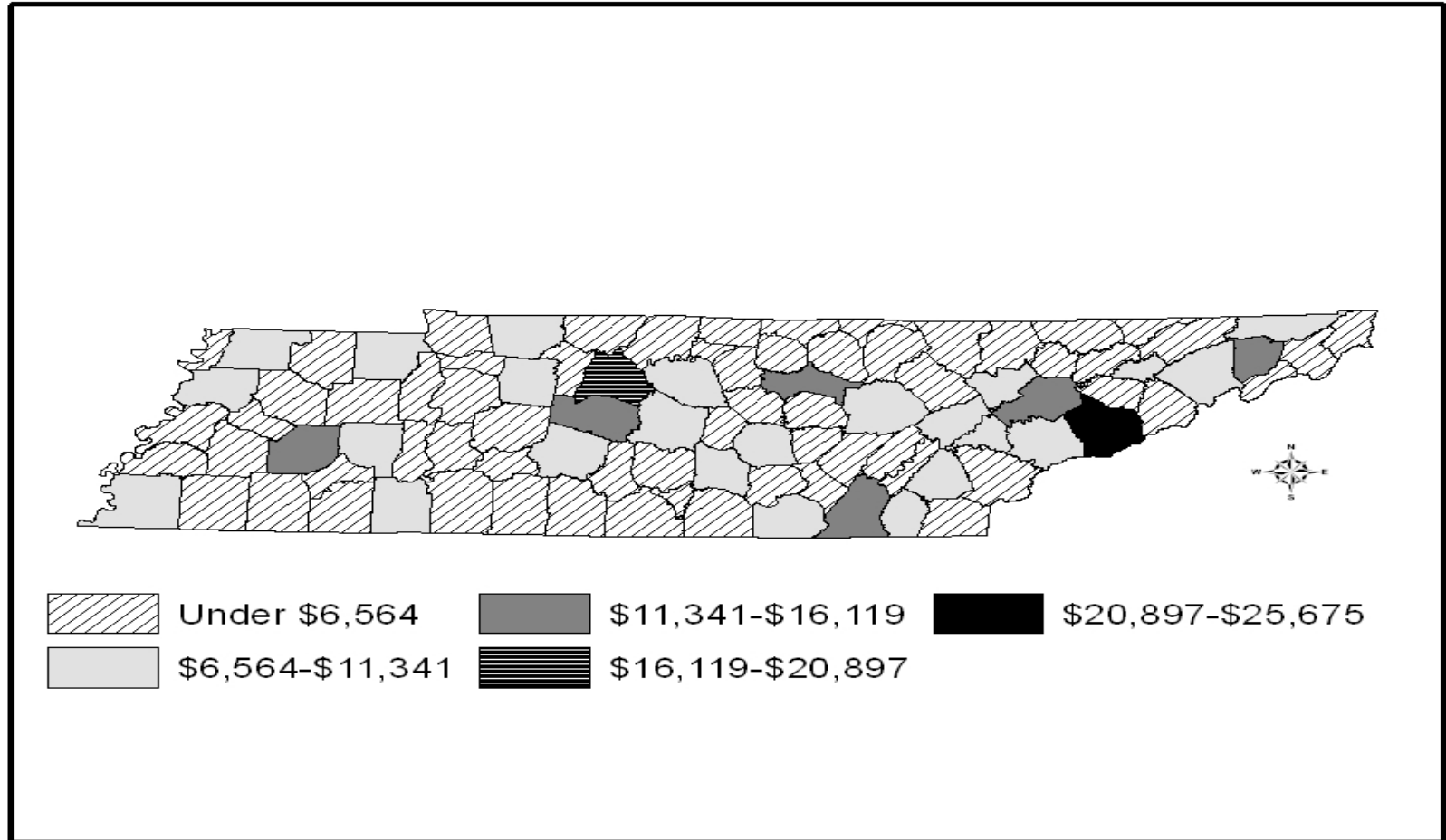


SOURCE: FY2005 Annual Statistical Report, Tables 19 and 7B – Department of Education
 BEP comparison from FY05 BEP – July Final

Average Per Capita Assessed Property Values – 2001-2004



Average Per Capita Sales – 2001-2004

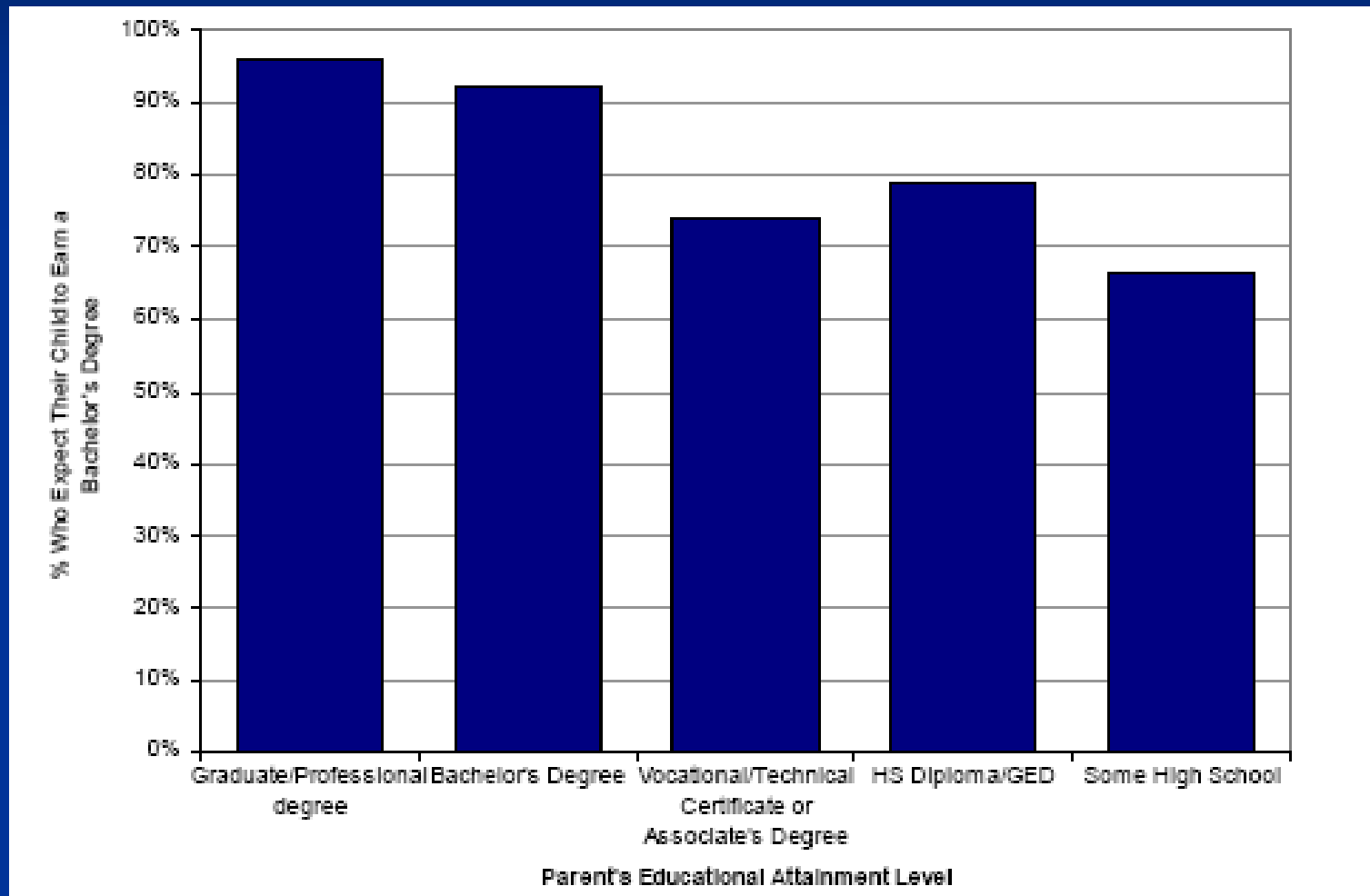


Barriers to Success

- No shared vision by political leaders and the public
- Low standards
- Ineffective governmental accountability structure
- Effort/Capacity arguments
- Insufficient resources at state and local levels
- Single salary schedule for teachers

Percent of Parents Who Expect Their Children to Earn a Bachelor's Degree

By Educational Attainment Level



K-8 Math Achievement

2004 Math State Report Card

	2003			2004		
CRT	% Below Proficient	% Proficient	% Advanced	% Below Proficient	% Proficient & Advanced	% Proficient & Advanced 2 Yr Avg
All Students	20.1	49.5	30.4	17.0	83.0	81.0
White	13.8	48.7	37.5	11.0	89.0	88.0
Hispanic	28.8	51.8	19.4	23.0	77.0	74.0
African American	37.5	51.7	10.8	31.0	69.0	66.0
Native American	21.0	51.3	27.7	15.0	85.0	82.0
Asian/Pacific Islander	9.2	39.4	51.4	7.0	93.0	92.0
Economically Disadvantaged	31.1	52.5	16.4	25.0	75.0	72.0
Students with Disabilities	62.2	31.1	6.7	55.0	45.0	42.0
Limited English Proficient	38.0	43.4	18.6	34.0	66.0	64.0

National Ranking of Difference between State Proficiency and NAEP Proficiency

Tennessee

46

Out of 50 states ranked on the difference between the share of 4th graders rated proficient on the state reading test, compared to the NAEP test (1= best, 50= worst)

Tennessee

49

Out of 50 states ranked on the difference between the share of 4th graders rated proficient on the state math test, compared to the NAEP test (1= best, 50= worst)

Tennessee

43

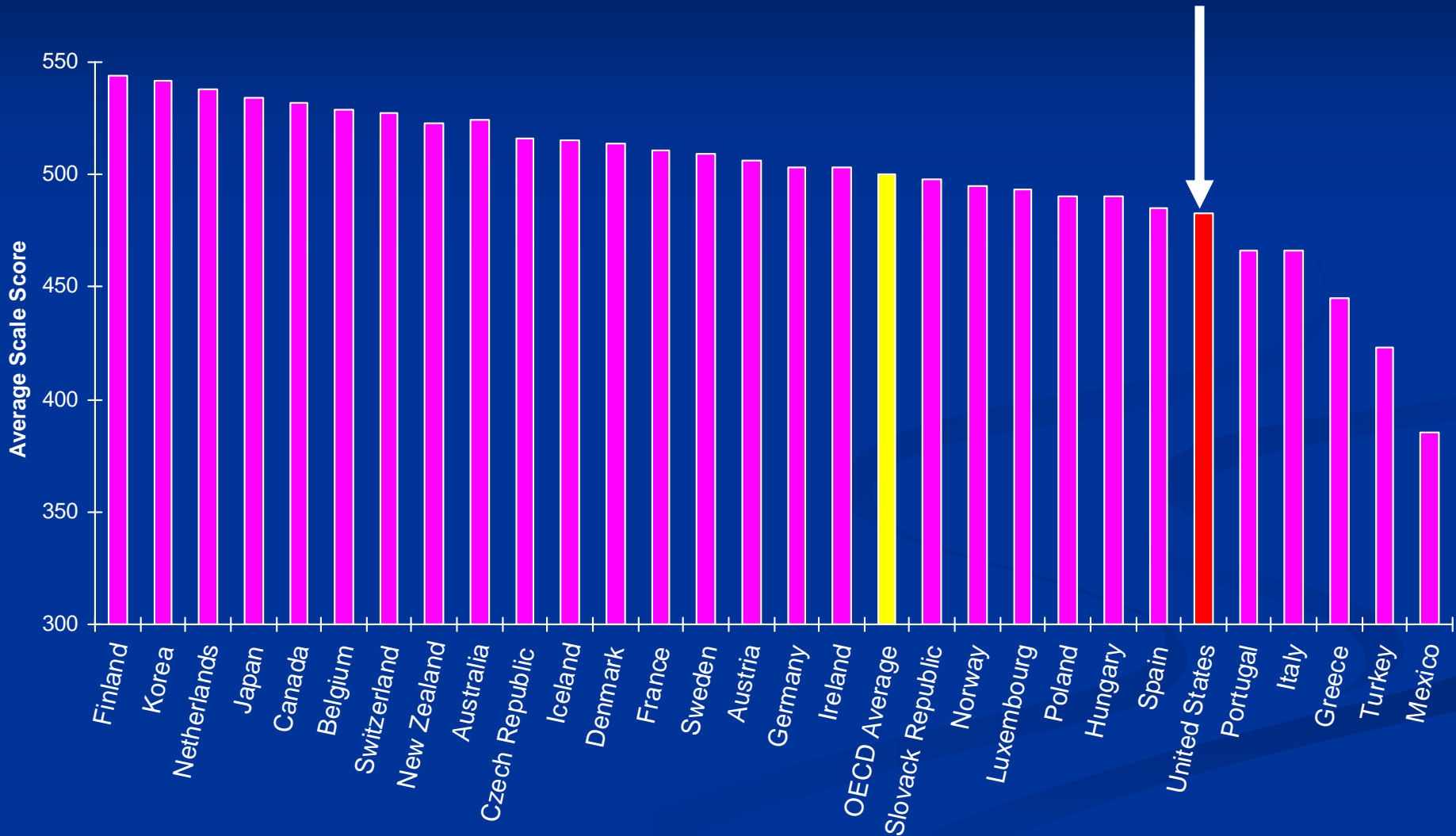
Out of 47 states ranked on the difference between the share of 8th graders rated proficient on the state reading test, compared to the NAEP test (1= best, 47= worst)

Tennessee

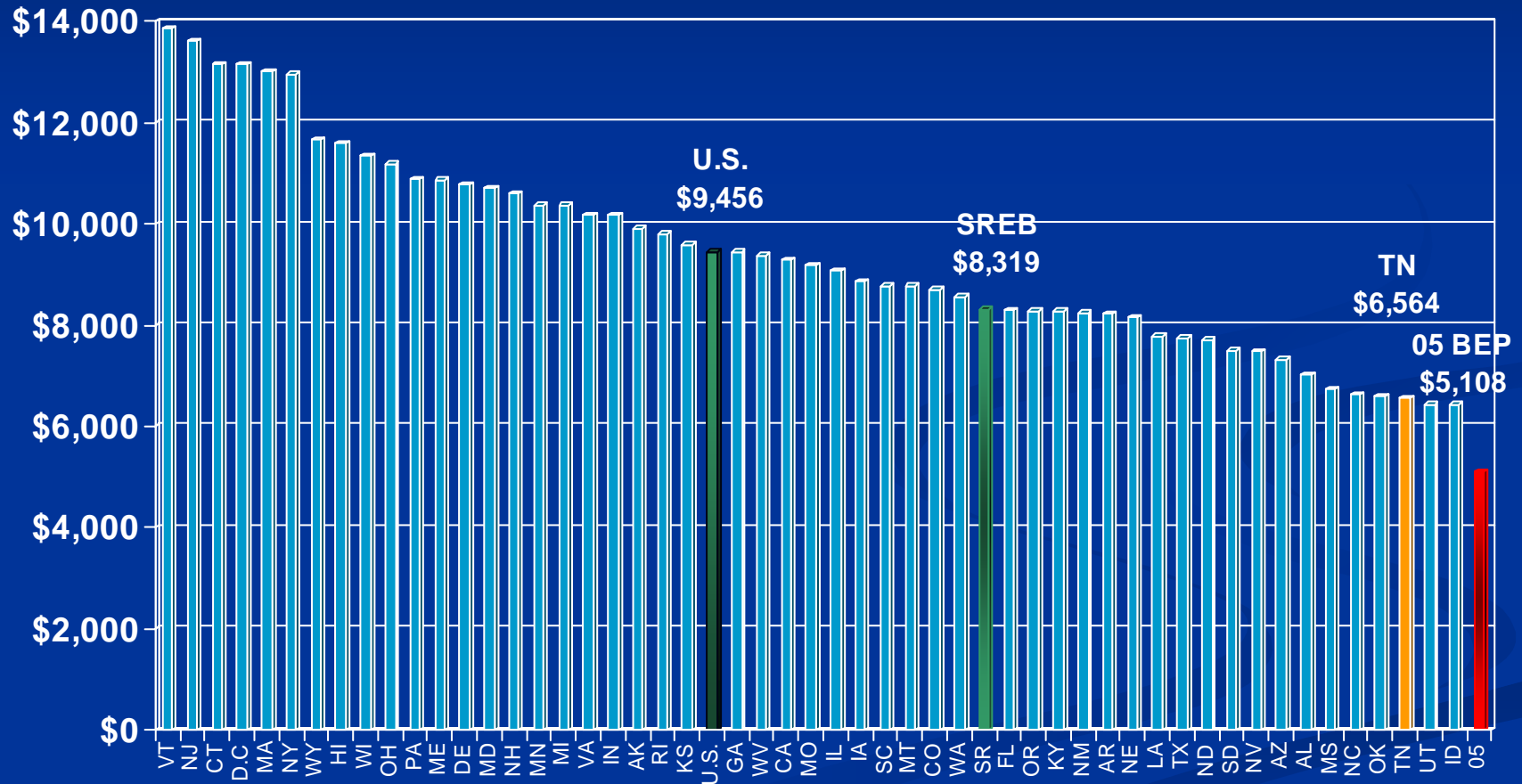
47

Out of 47 states ranked on the difference between the share of 8th graders rated proficient on the state math test, compared to the NAEP test (1= best, 47= worst)

2003: U.S. Ranked 24th out of 29 OECD Countries in Mathematics



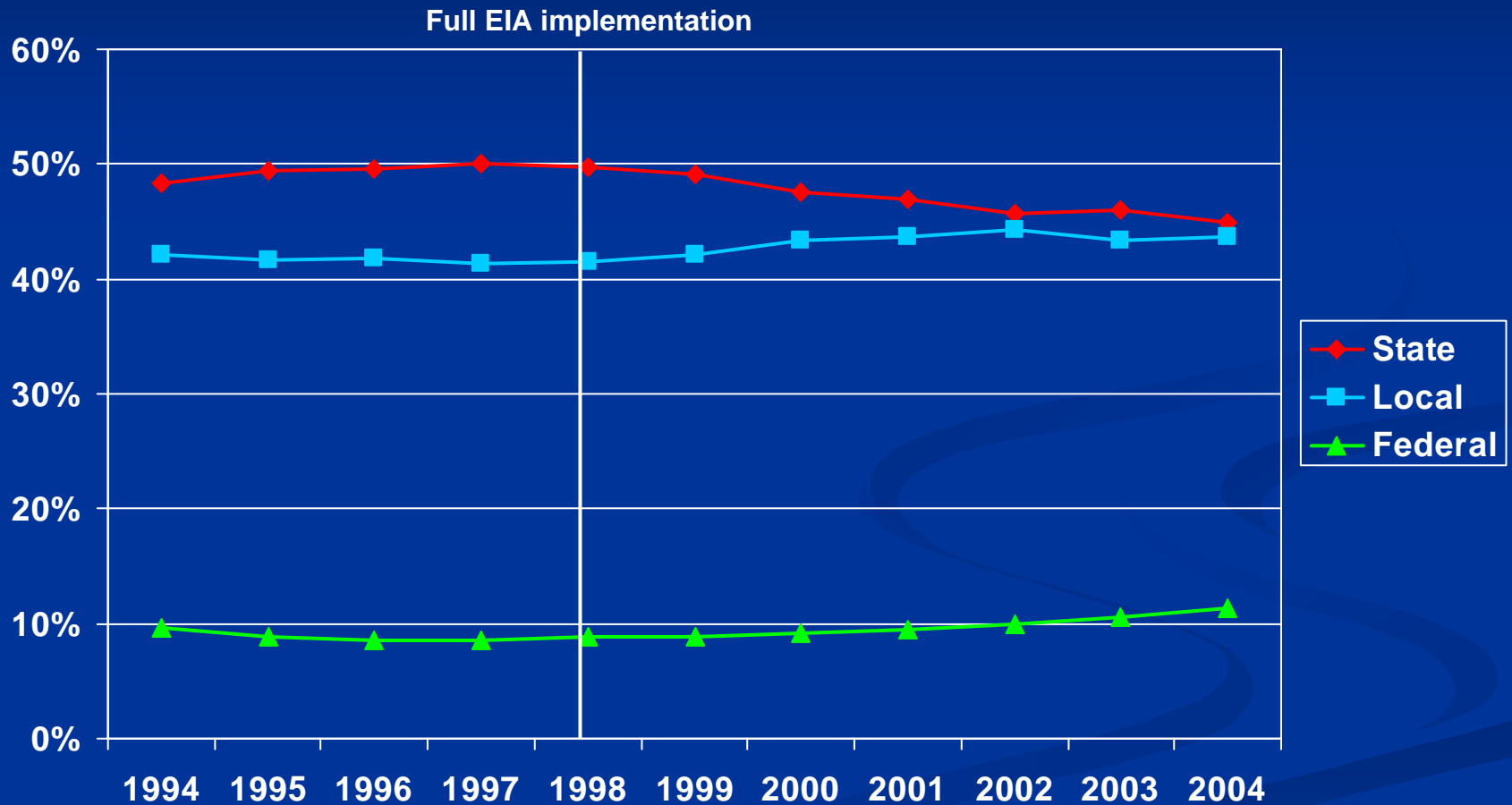
State and Local Revenues Per Pupil (ADA) – Fiscal Year 2005



SOURCE: NEA Rankings & Estimates 2005, Summary Table I and D
FY05 BEP – Jan Revised, ADA data from Table 7B – Annual Statistical Report

Percent of School Revenues by Governmental Unit

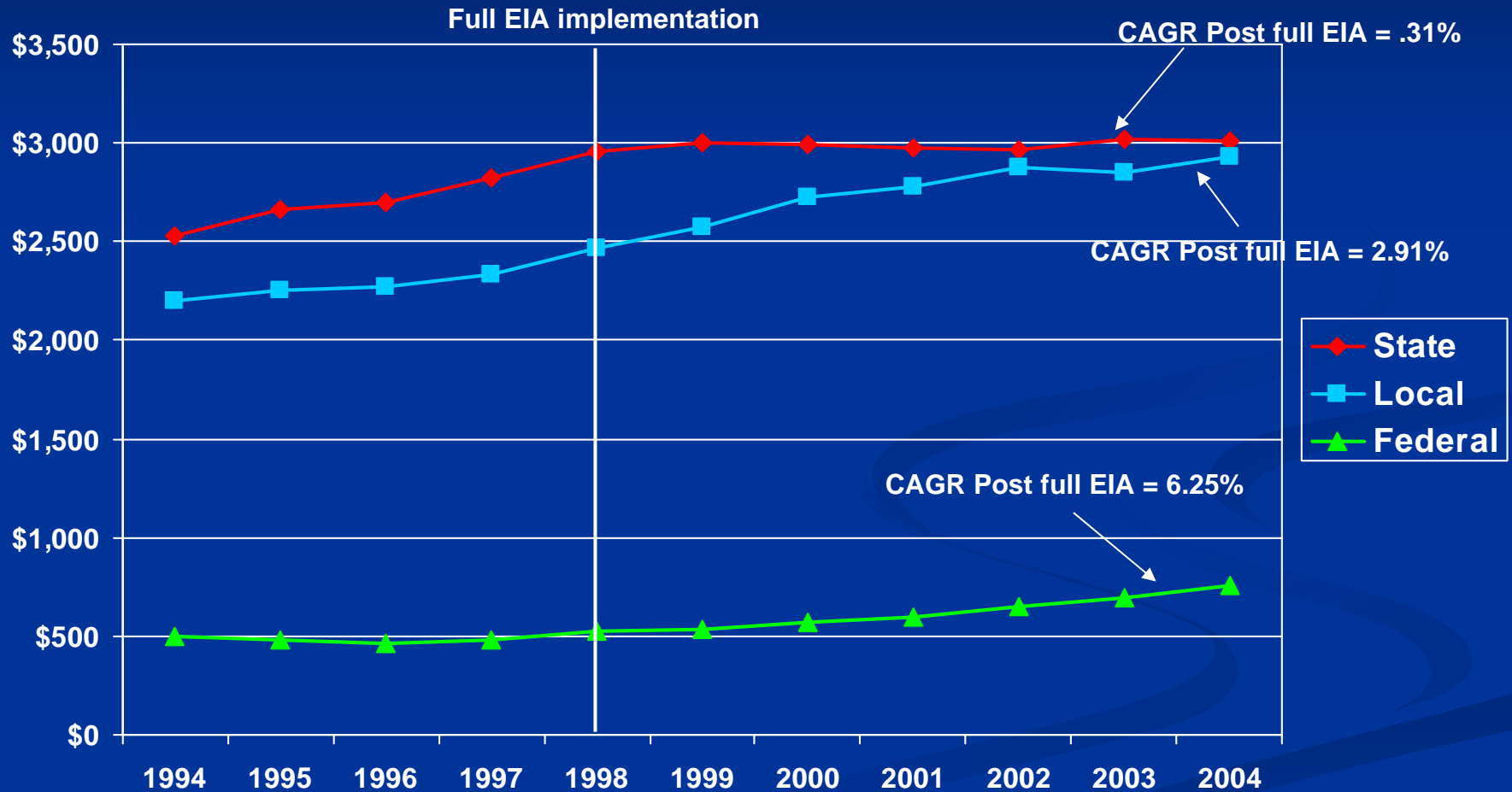
FY1994 to FY2004



SOURCE: Annual Statistical Reports, FY1994 through FY2004, Table 19, Department of Education

Per Pupil Dollar contribution by Governmental Unit

Adjusted for inflation to 2004 dollars

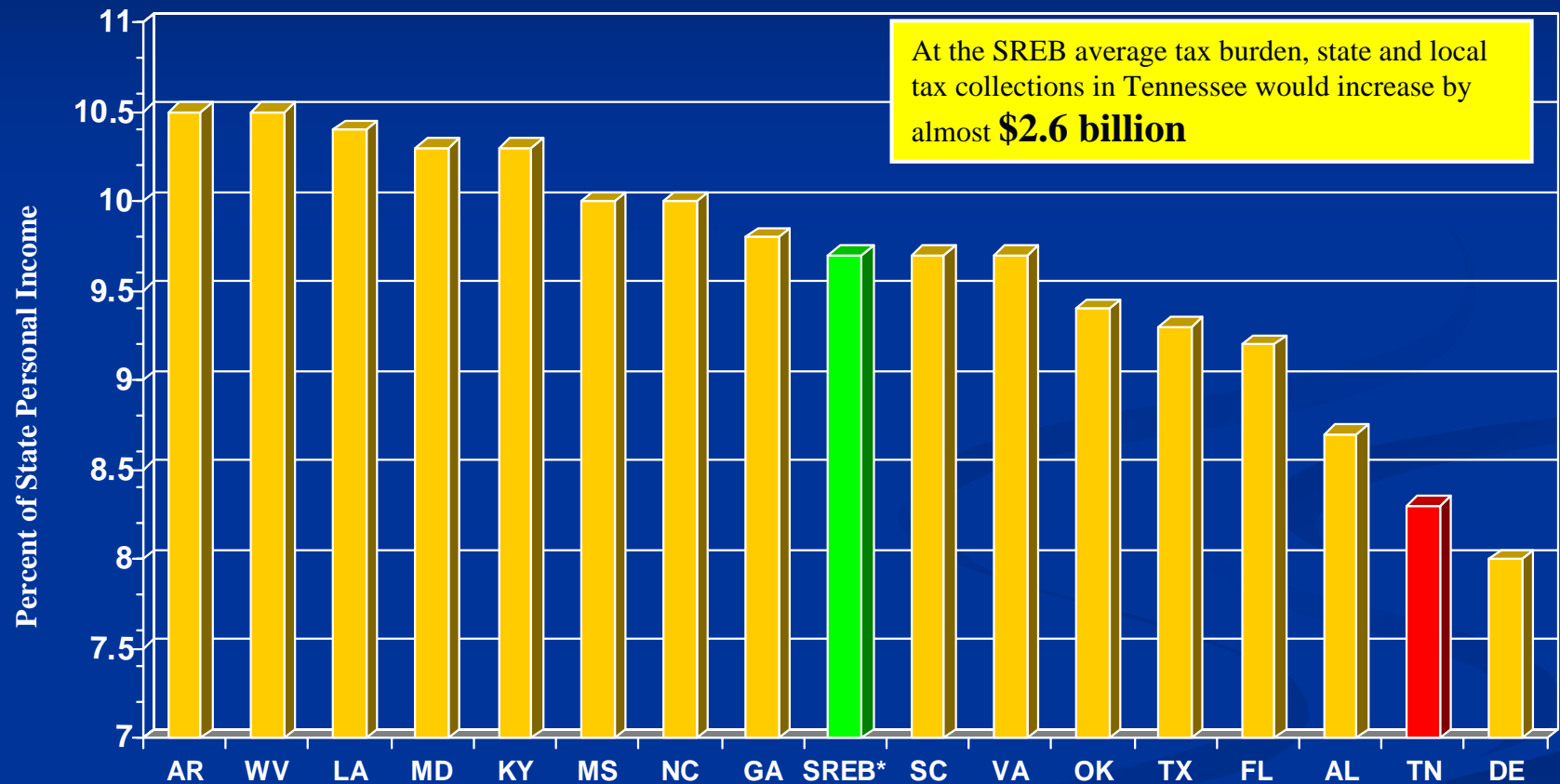


SOURCE: Annual Statistical Reports, FY1996 through FY2004, Table 19, Department of Education
Table 7A, ADM Counts, Department of Education
Inflation calculated using Bureau of Labor Statistics, Inflation Calculator

A New Way?

- Build a funding formula around the cost of achieving desired outcomes
- Establish clear lines of accountability
- Provide the right resources and demand performance at high levels of student learning
- Use the statewide tax base to address a statewide issue

2005 State and Local Tax Burden as Share of Personal Income in the SREB States



*Average of SREB states excluding Tennessee. The SREB average including Tennessee is 9.6%

The Student Pipeline - Tennessee, 2004

